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## **FREQUENTLY ASKED QUESTIONS**

### **REGISTRATION/RENEWAL FEE REPORT (RRF-1)**

The Form RRF-1 can be completed on line  
and printed out for signature and mailing.



#### **1) When must an RRF-1 be filed?**

The RRF-1 must be filed once each calendar year, no later than four months and fifteen days after the close of the organization's accounting period.

##### **Examples:**

(a) Fiscal Year End June 30 - If the end of the organization's accounting period is June 30, and it filed the first RRF-1 (for calendar year 2000), then the report for calendar year 2001 is due no later than four months and fifteen days following the close of the organization's fiscal year, i.e., by November 15, 2001, and November 15 every year thereafter.

(b) Calendar Year End December 31 - If the organization's fiscal year end is December 31, the RRF-1 is due no later than May 15 of the following calendar year.

**Note: If the organization filed an RRF-1 during 2000, it is current in meeting the year 2000 RRF-1 filing requirement. The year 2001 report, and reports for all subsequent years, will be due no later than four months and fifteen days after the end of the organization's next fiscal year.**

**IF THE RRF-1 FOR YEAR 2001 HAS ALREADY BEEN FILED, THE NEXT REPORT WILL BE DUE FOUR MONTHS AND FIFTEEN DAYS AFTER THE END OF THE ORGANIZATION'S ACCOUNTING PERIOD IN 2002.**

#### **2) Why was the RRF-1 filing date changed?**

The filing date was changed after numerous requests were received to more closely align the RRF-1 filing date with IRS Form 990 filing requirements. The purpose was to simplify reporting for organizations required to report to multiple agencies.

#### **3) If an organization is exempt from filing (i.e., a religious organization, educational institution, etc.) does it now have to file Form RRF-1?**

No. Nothing has changed. The organization is still exempt from reporting.

#### **4) If an organization is on extended reporting (i.e., assets or revenue under \$25,000), does it have to file the RRF-1?**

Yes. The RRF-1 must be filed annually no later than four months and fifteen days after the close of the organization's accounting period even if the organization is on extended reporting and does not file a Form 990-EZ with the Internal Revenue Service.

#### **5) If an organization has been filing annual financial reports with the Registry of Charitable Trusts in the past, must it file the RRF-1?**

Yes. (Please review the instructions for filing the Registration/Renewal Fee Report (RRF-1). Organizations with gross receipts or assets of \$100,000 or more must also pay a \$25 fee each year at the time the Registration/Renewal Fee Report (RRF-1) is filed. No RRF-1 filing extensions will be granted.

#### **6) Will Form 990 extensions granted by the Internal Revenue Service be recognized by the Registry of Charitable Trusts?**

Registered organizations that file any IRS Form 990 reports, are required to file copies of the Form 990 reports with the Registry of Charitable Trusts at the time they are submitted to the IRS. IRS Form 990 extensions will be honored by the Registry.

#### **7) Is the Form 990 report required to be filed with the RRF-1?**

No. Filing requirements for the RRF-1 and the Form 990 are independent of each other. If the Form 990 is available at the time the RRF-1 is filed, it may be submitted with the RRF-1. Otherwise, a copy of the Form 990 report should be sent to the Registry at the same time it is submitted to the IRS.

**Note: To avoid duplication of reporting, if the RRF-1 was previously submitted, do not attach a copy of the RRF-1 to the IRS Form 990. Likewise, do not attach a copy of the Form 990 to the RRF-1 if the Form 990 was previously submitted.**

#### **8) Define "close of the accounting period."**

The organization's calendar/fiscal year end.

#### **9) If because of the charity's accounting period, the report preparer or directors cannot calculate exactly the responses called for by the RRF-1 by four months and fifteen days after close of the accounting period, what does the Registry require?**

It may be necessary for directors and their report preparers to make good faith reasonable estimates in order to respond to the questions on the RRF-1. If a response is filed that is made in reasonable good faith by the directors, the Attorney General is not going to take corrective action or impose any penalties if the organization chooses to file an amended RRF-1.

#### **10) What accounting method should report preparers use when completing the RRF-1?**

It is generally accepted practice to use the same accounting method that the charity uses to keep its books and records.

**11) When answering Part A, Question 2, what financial information should be provided?**

Any of the following three options may be used:

- (1) Actual current accounting period amounts.
- (2) Estimates of current accounting period amounts.
- (3) Actual figures for the previous accounting year.

**Note: It is understood and accepted that in some instances one year of financial information reported on Form 990 may be excluded from the RRF-1 report during the change to the new filing date.**

**12) How should the amount of gross receipts or total assets be determined?**

Gross receipts are defined as the total amount an organization receives from all sources during its annual accounting period without subtracting any costs or expenses.

Assets are defined as resources owned by an entity. Examples of assets include cash receivables, inventory, property, equipment and intangible things of value such as patents, licenses and trademarks. To qualify as an asset, something must be owned and provide future benefit.

Information may also be obtained from the following:

- A) Your organization's accountant or CPA.
- B) These publications:
  - \* Instructions for IRS Forms 990, 990-PF, and 990-EZ located on the Website.
  - \* General accepted accounting principles (GAAP) for not-for-profit organizations
  - \* The American Institute of Certified Public Accountants (AICPA) industry audit guide for not-for-profit organizations.
- C) By calling the AICPA's technical assistance unit at telephone number (201) 938-7305 or the California Board of Accountancy's Clearinghouse for Volunteer Accounting Services (CVAS) at telephone number (805) 295-8912.

**13) How should "program" or "nonprogram" expenditures be determined?**

Generally, the person preparing the report should follow the instructions given in the question above. In general, the definition of nonprogram expenditures is any expenditure that is for purposes other than those charitable activities which the organization was created to conduct. Nonprogram expenditures usually include salaries, overhead, and fundraising expenses.

**14) If a charity has not prepared its Form 4720 for the most current reporting period by the filing date for submitting the RRF-1, what does the Registry require? (See Form RRF-1, Questions #4)**

If it is reasonably anticipated that a Form 4720 will be prepared for the current accounting period, check "yes" and attach an explanation.

**15) What does government funding consist of?**

All sources of funding from local, state, and federal agencies, including grants, contracts, etc.

**16) Must organizations that are dissolving file the RRF-1?**

If the organization requests a Dissolution Waiver of Notice letter before the start of its next accounting period, it will not be required to file the RRF-1. For information on procedures to file a request for Dissolution Waiver of Notice letter, consult the Attorney General's Website or write to the Registry and ask for instructions.

**17) Is the trustee of a qualified charitable remainder trust ("CRT") required to register and file RRF-1 and Forms 990, 990PF or 990EZ with your office?**

If the charitable beneficiary has a future interest only (i.e., the income beneficiary is alive and charity has no present right to any funds), the CRT does NOT have to register or file any forms with the Attorney General. However, upon the death of the last income beneficiary (i.e., the final person(s) benefitting from the trust), the CRT will be required to register and to provide an accounting of the distribution of the trust estate with our office.

**(Check this site periodically for updates.)**